

**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE**

Applicant(s)	<b>Jacobs, Jr., Leslie L.</b>
Application	<b>10/583,222</b>
Confirmation	<b>8239</b>
Filed	<b>19 March 2007</b>
Application Title	<b>A Method, Apparatus, and Computer Readable Medium for Providing a Stream of Payments</b>
Art Unit	<b>3694</b>
Latest Examiner	<b>Gregg, Mary M.</b>

**Mail Stop Appeal Brief-Patents**

Commissioner for Patents

P.O. Box 1450

Alexandria, VA 22313-1450

**REPLY BRIEF**

Responsive to the Examiner's Answer mailed on 14 February 2011 (the "Answer"), Applicant respectfully submits the following remarks.

On pages 4-19 of the Examiner's Answer dated February 14, 2011, the Examiner repeats the arguments made in the Office Action dated October 14, 2009, which have already been addressed by Applicant's Appeal Brief filed November 15, 2010. Applicant incorporates all the arguments made in Applicant's Appeal Brief in response to pages 3-19 of the Examiner's Answer. Applicant addresses the remainder of Examiner's Answer below.

**ANALYSIS**

**Claim 1**

The Examiner states that Philip teaches "selecting one or more segments of each of a plurality of streams of expected payments that are to satisfy a plurality of obligations to provide payments to a holder of one or more rights to receive such payments in exchange for transfers of

interests in one or more intellectual property assets, said one or more segments corresponding to a first time period having a first duration that is less than a second duration of a second time period over which at least one of the streams of expected payments is expected to extend, wherein said one or more segments are selected such that a first total amount of expected payments associated with said one or more segments satisfies one or more criteria.” See pg. 32 of Examiner’s Answer.

Although the Examiner asserts that Philip teaches that an asset is broken into multiple segments in the manner claimed, that is not the case. Philip teaches that “securitization of financial assets is used by financial institutions to sell interests in pools of financial assets”, where “a financial asset can be any promise of a future flow of money.” Philip at col. 1, lines 6-9. Philip further teaches that “interests in selected portions or tranches of the pool may be sold”, where “tranches represent a defined and limited aspect of the assets within the pool.” Philip at col. 1, lines 32-34. The Examiner relies on col. 1, lines 32-43; col. 4, lines 3-18; col. 9, lines 1-18 and Table 1; col. 3, lines 36-47; col. 1, lines 33-37; col. 3, lines 37-40; col. 4, lines 4-8 and 11-16. See Examiner’s Answer at pgs. 32-35. However, none of the portions of Philip relied upon by the Examiner teach selecting segment(s) from each of a plurality of streams of expected payments of the type recited in the claim, where the segments correspond to a first time period having a first duration that is less than a second duration of a second time period over which at least one of the streams of expected payments is expected to extend.

The portions of Philip relied upon by the Examiner simply fails to teach the parsing of each of the streams of expected payments into segment(s), where the segment(s) correspond to a first time period that is shorter than a second time period over which at least one of the streams of expected payments is expected to extend. Nowhere does Philip teach “selecting on one or more processors one or more segments of each of a plurality of streams of expected payments that are to satisfy a plurality of obligations to provide payments to a holder of one or more rights to receive such payments in exchange for transfers of interests in one or more intellectual property assets, said one or more segments corresponding to a first time period having a first duration that is less than a second duration of a second time period over which at least one of the streams of expected payments is expected to extend.”

In the Examiner’s Answer, the Examiner asserts that Philips “teaches identifying portions

of rights to transfer and teaches at least two time periods.” See Examiner’s Answer at pg. 34. However, the disclosure of the identification of segments from **two different and discrete periods** in the manner asserted by the Examiner does not suggest the “**one or more segments corresponding to a first period** having a first duration that is less than a second duration of a second time period over which at least one of the stream of payments is expected to extend.” Having indicated that the segments come from at least two different time periods, the Examiner then asserts that Philip teaches “said one or more portions corresponding to the one or more segments that correspond to the first time period” See Examiner’s Answer at pg. 34 (citing Philip col. 1, lines 33-37; col. 3, lines 37-40; col. 4, lines 4-8 and 11-16; col. 3, lines 36-47; and col. 4, lines 3-18

With regard to Philip, the recited portion of col. 4, lines 3-15 discloses as follows:

*The securitization managements function supports the structuring of custom tranches. For example, an investment bank may wish to define a security based upon assets with a specified set of characteristics. For example, an investment bank 20 may wish to purchase only accounts receivable from that set of accounts receivable of which, based upon a six-month history, eighty percent are paid in under 40 days. There are two components of rules that may be employed in selecting assets into pools: (i) rules to decide which assets to purchase based on the characteristics of the assets themselves and (ii) rules to decide which assets to purchase based on their effect on the aggregate parameters of the pool that would change if the assets were to be added to the pool. The later are called ‘covenants’. When covenants are violated the platform provides an interactive tool to exclude certain assets so that the covenants will not be violated.(col. 4 lines 3-18.*

Although the above-referenced portion of Philip discloses selecting an accounts receivable, which corresponds to money owed on a particular invoice, Philip does not teach the “selecting” activity of claim 1, which calls for “selecting one or more segments of each of a plurality of streams of expected payments” where the or more segments (selected from each of the plurality of streams of expected payments) correspond to a first time period having a first duration that is less than a second duration of a second time period over which at least one of the streams of expected payments is expected to extend. Rather, Philip discloses selecting a receivable based

on historical performance information associated with the particular set of accounts receivables from which it is selected. Philip does not teach selecting a receivable that corresponds to a segment of any particular stream of expected payments in the future and there is simply no teaching to that effect by Philip. Even assuming for the sake of argument that Philip taught selecting a receivable that corresponds to a particular stream of expected payments, it does not teach selecting such a receivable from another stream of expected payments that also corresponds to the same time period.

On page 5, line 8 of the Office Action dated October 14, 2009, although the Examiner indicated that accounts receivables are necessarily payment streams, that is simply not the case, as an accounts receivable is simply money owed on a particular invoice. There is simply no teaching by Philip that the accounts receivables necessarily correspond to an expected stream of payments in the future, let alone payments that are to satisfy a plurality of obligations to provide payments to a holder of one or more rights to receive such payments in exchange for transfers of interests in one or more intellectual property assets.

Because Philip fails to teach selecting segments in the manner claimed, Philip fails to teach that the “segment(s) are selected such that a first total amount of expected payments associated with said segment(s) satisfies one or more criteria” or to teach “identifying one or more portions of said one or more rights for transfer to an entity”, where the portion(s) correspond to the segment(s) that correspond to the first period.

In addition, the Examiner acknowledges that Philip does not teach “intellectual property assets”. As such, Philip does not teach selecting segments of each of a plurality of streams of expected payments of the type claimed (i.e., payments that are to satisfy a plurality of obligations to provide payments to a holder of one or more rights to receive such payments in exchange for transfers of interests in one or more intellectual property assets). However, the Examiner makes two arguments as to why the fact that Philip does not teach the use of intellectual property assets does not negatively impact the Examiner’s obviousness analysis.

On page 35 of the Examiner’s Answer, the Examiner argues that “Intellectual property assets are a financial asset is a promise of future flow of money, and would have been obvious to substitute one financial asset for another.” Applicant disagrees that intellectual property assets can necessarily be equated with a future flow of money in every instance or that their suitability

for use in connection with particular financial transactions can be assumed.

In addition, the Examiner argues that U.S. Pub No. 20002/0099637 (Wilkinson) “teaches a method for intellectual property securitization and creating financial markets.” See Examiner’s Answer at page 20. Yet the portions of Wilkinson relied upon by the Examiner (i.e., Wilkinson at paragraph 7 identified on page 20 of the Examiner’s Answer) fail to account for the deficiencies of Philip in that they fail to teach “selecting ... segments” or “identifying ... portions ... corresponding to the one or more segments” in the manner claimed. The subject matter of claim 1 carries out these activities in order to facilitate providing relatively smooth IP based payment streams over a particular time period when the expected IP based payment streams are predicted to be variable over that period, which, in turn, greatly facilitates securitizing the underlying rights to receive those payments. The Philip and Wilkinson references simply do not provide this advantage or teaching. Although Wilkinson discloses an intellectual property investment process generally, that by itself does not mean that one skilled in the art would appreciate how to combine the teachings of Philip and Wilkison in the manner contemplated by the Examiner to arrive at the claimed subject matter.

For at least the reasons mentioned above, Applicant respectfully submits that independent claim 1 would not have been rendered obvious by the combination of Philip and Wilkinson. Consequently, for at least the reasons mentioned above, a reversal of the rejection of claim 1 is respectfully requested.

## **Claim 2**

None of the applied portions of the references relied upon in the Examiner’s Answer, whether considered alone or in combination, establish a *prima facie* case of obviousness. Since claim 2 depends upon claim 1, Applicant incorporates each and every argument, *supra*, regarding claim 1 into this traversal of the rejection of claim 2. The Examiner relies upon Nations only to address specific limitations of dependent claim 2 and not the limitations of independent claim 1 upon which it depends, and the portions of Nations relied upon by the Examiner do not account for the deficiencies of Philip and Wilkinson noted above in connection with claim 1. Thus, dependent claim 2 would not have been rendered obvious by the combination of Philip, Wilkinson and Nations.

Accordingly, for at least the reasons mentioned above, a reversal of the rejection of claim 2 is respectfully requested.

**Claim 3**

None of the applied portions of the references relied upon in the Examiner's Answer, whether considered alone or in combination, establish a *prima facie* case of obviousness. For at least the reasons mentioned above with respect to independent claim 1, Applicant respectfully submits that dependent claim 3 also would not have been rendered obvious by the combination of Philip and Wilkinson. The Examiner relies upon Applicant's allegedly Admitted Prior Art only to address the specific limitations of dependent claim 3, and not the limitations of independent claim 1 upon which it depends, and the Applicant's allegedly Admitted Prior Art relied upon by the Examiner does not account for the deficiencies of Philip and Wilkinson. Thus, dependent claim 3 would not have been rendered obvious by the combination of Philip, Wilkinson and the Applicant's allegedly Admitted Prior Art.

In addition, Applicant does not agree that it was admitted that it was "old and well known to monitor and benchmark earnings over time periods in order to make decisions on investment management." Applicant respectfully submits that the Examiner should have indicated where such an admission was made.

Accordingly, for at least the reasons mentioned above, a reversal of the rejection of claim 3 is respectfully requested.

**Claim 4**

None of the applied portions of the references relied upon in the Examiner's Answer, whether considered alone or in combination, establish a *prima facie* case of obviousness. For at least the reasons mentioned above with respect to independent claim 1 and dependent claim 3, Applicant respectfully submits that dependent claim 4 also would not have been rendered obvious by the combination of Philip, Wilkinson and the Official Notice. The Examiner relies upon Silman only to address the specific limitations of dependent claim 4, and not the limitations of independent claim 1 and dependent claim 3 upon which they ultimately depend, and the portions of Silman relied upon by the Examiner do not account for the deficiencies of Philip

Wilkinson and the Official Notice. Thus, dependent claim 4 would not have been rendered obvious by the combination of Philip, Wilkinson, Official Notice and Silman.

Accordingly, for at least the reasons mentioned above, a reversal of the rejection of claim 4 is respectfully requested.

#### **Claim 5**

None of the applied portions of the references relied upon in the Examiner's Answer, whether considered alone or in combination, establish a *prima facie* case of obviousness. For at least the reasons mentioned above with respect to independent claim 1, Applicant respectfully submits that dependent claim 5 also would not have been rendered obvious by the combination of Philip and Wilkinson. The Examiner relies upon Applicant's allegedly Admitted Prior Art only to address the specific limitations of dependent claim 5, and not the limitations of independent claim 1 upon which it depends, and the Applicant's allegedly Admitted Prior Art relied upon by the Examiner does not account for the deficiencies of Philip and Wilkinson. Thus, dependent claim 5 would not have been rendered obvious by the combination of Philip, Wilkinson and the Applicant's allegedly Admitted Prior Art.

In addition, Applicant does not agree that it was admitted that it was "old and well known to monitor and benchmark earnings over time periods in order to make decisions on investment management." Applicant respectfully submits that the Examiner should have indicated where such an admission was made.

Accordingly, for at least the reasons mentioned above, a reversal of the rejection of claim 5 is respectfully requested.

#### **Claim 6**

None of the applied portions of the references relied upon in the Examiner's Answer, whether considered alone or in combination, establish a *prima facie* case of obviousness. Since claim 6 depends upon claim 1, Applicant incorporates each and every argument, *supra*, regarding claim 1 into this traversal of the rejection of claim 6.

Accordingly, for at least the reasons mentioned above, a reversal of the rejection of claim 6 is respectfully requested.

**Claim 7**

None of the applied portions of the references relied upon in the Examiner's Answer, whether considered alone or in combination, establish a *prima facie* case of obviousness. Since claim 7 depends upon claim 1, Applicant incorporates each and every argument, *supra*, regarding claim 1 into this traversal of the rejection of claim 7.

Accordingly, for at least the reasons mentioned above, a reversal of the rejection of claim 7 is respectfully requested.

**Claim 8**

None of the applied portions of the references relied upon in the Examiner's Answer, whether considered alone or in combination, establish a *prima facie* case of obviousness. Since claim 8 depends upon claim 7, Applicant incorporates each and every argument, *supra*, regarding claim 7 into this traversal of the rejection of claim 8.

Accordingly, for at least the reasons mentioned above, a reversal of the rejection of claim 8 is respectfully requested.

**Claim 9**

None of the applied portions of the references relied upon in the Examiner's Answer, whether considered alone or in combination, establish a *prima facie* case of obviousness. Since claim 9 depends upon claim 1, Applicant incorporates each and every argument, *supra*, regarding claim 1 into this traversal of the rejection of claim 9.

Accordingly, for at least the reasons mentioned above, a reversal of the rejection of claim 9 is respectfully requested.

**Claim 10**

None of the applied portions of the references relied upon in the Examiner's Answer, whether considered alone or in combination, establish a *prima facie* case of obviousness. Since claim 10 depends upon claim 1, Applicant incorporates each and every argument, *supra*, regarding claim 1 into this traversal of the rejection of claim 10.



Accordingly, for at least the reasons mentioned above, a reversal of the rejection of claim 10 is respectfully requested.

**Claim 11**

The Examiner states on pages 49 and 50 of the Examiner's Answer, the Examiner incorporates the rejection made with respect to independent claim 1 in the rejection of claim 11. While Applicant disagrees with Examiner's characterization of claim 11 as compared to independent claim 1, Applicant incorporates herein by reference the response made above in connection with independent claim 1 to avoid duplication.

For at least the reasons mentioned above in connection with independent claim 1, Applicant respectfully submits that independent claim 11 would not have been rendered obvious by the combination of Philip and Wilkinson.

Accordingly, for at least the reasons mentioned above, a reversal of the rejection of claim 11 is respectfully requested.

**Claim 12**

None of the applied portions of the references relied upon in the Examiner's Answer, whether considered alone or in combination, establish a *prima facie* case of obviousness. Since claim 12 depends upon claim 11, Applicant incorporates each and every argument, *supra*, regarding claim 11 into this traversal of the rejection of claim 12. The Examiner relies upon Nations only to address specific limitations of dependent claim 12 and not the limitations of independent claims 11 upon which it depends, and the portions of Nations relied upon by the Examiner does not account for the deficiencies of Philip and Wilkinson noted above in connection with claim 11. Thus, dependent claims 12 would not have been rendered obvious by the combination of Philip, Wilkinson and Nations.

Accordingly, for at least the reasons mentioned above, a reversal of the rejection of claim 12 is respectfully requested.

**Claim 13**

None of the applied portions of the references relied upon in the Examiner's Answer,

whether considered alone or in combination, establish a *prima facie* case of obviousness. For at least the reasons mentioned above with respect to independent claim 11, Applicant respectfully submits that dependent claim 13 also would not have been rendered obvious by the combination of Philip and Wilkinson. The Examiner relies upon Applicant's allegedly Admitted Prior Art only to address the specific limitations of dependent claim 13, and not the limitations of independent claim 11 upon which it depends, and the Applicant's allegedly Admitted Prior Art relied upon by the Examiner does not account for the deficiencies of Philip and Wilkinson. Thus, dependent claim 3 would not have been rendered obvious by the combination of Philip, Wilkinson and the Applicant's allegedly Admitted Prior Art.

In addition, Applicant does not agree that it was admitted that it was "old and well known to monitor and benchmark earnings over time periods in order to make decisions on investment management." Applicant respectfully submits that the Examiner should have indicated where such an admission was made.

Accordingly, for at least the reasons mentioned above, a reversal of the rejection of claim 13 is respectfully requested.

#### **Claim 14**

None of the applied portions of the references relied upon in the Examiner's Answer, whether considered alone or in combination, establish a *prima facie* case of obviousness. For at least the reasons mentioned above with respect to independent claim 11 and dependent claim 13, Applicant respectfully submits that dependent claim 14 also would not have been rendered obvious by the combination of Philip, Wilkinson and the Official Notice. The Examiner relies upon Silman only to address the specific limitations of dependent claim 14, and not the limitations of independent claim 11 and dependent claim 13 upon which it ultimately depends, and the portions of Silman relied upon by the Examiner do not account for the deficiencies of Philip Wilkinson and the Official Notice. Thus, dependent claim 14 would not have been rendered obvious by the combination of Philip, Wilkinson, Official Notice and Silman.

Accordingly, for at least the reasons mentioned above, a reversal of the rejection of claim 14 is respectfully requested.

**Claim 15**

None of the applied portions of the references relied upon in the Applicant's allegedly Admitted Prior Art, whether considered alone or in combination, establish a *prima facie* case of obviousness. For at least the reasons mentioned above with respect to independent claim 11, Applicant respectfully submits that dependent claim 15 also would not have been rendered obvious by the combination of Philip and Wilkinson. The Examiner relies upon Applicant's allegedly Admitted Prior Art only to address the specific limitations of dependent claim 15, and not the limitations of independent claim 11 upon which it depends, and the Applicant's allegedly Admitted Prior Art relied upon by the Examiner does not account for the deficiencies of Philip and Wilkinson. Thus, dependent claim 15 would not have been rendered obvious by the combination of Philip, Wilkinson and the Applicant's allegedly Admitted Prior Art. In addition, Applicant does not agree that it was admitted that it was "old and well known to monitor and benchmark earnings over time periods in order to make decisions on investment management." Applicant respectfully submits that the Examiner should have indicated where such an admission was made..

Accordingly, for at least the reasons mentioned above, a reversal of the rejection of claim 15 is respectfully requested.

**Claim 16**

None of the applied portions of the references relied upon in the Examiner's Answer, whether considered alone or in combination, establish a *prima facie* case of obviousness. Since claim 16 depends upon claim 11, Applicant incorporates each and every argument, *supra*, regarding claim 11 into this traversal of the rejection of claim 16.

Accordingly, for at least the reasons mentioned above, a reversal of the rejection of claim 16 is respectfully requested.

**Claim 17**

None of the applied portions of the references relied upon in the Examiner's Answer, whether considered alone or in combination, establish a *prima facie* case of obviousness. Since claim 17 depends upon claim 11, Applicant incorporates each and every argument, *supra*,

regarding claim 11 into this traversal of the rejection of claim 17.

Accordingly, for at least the reasons mentioned above, a reversal of the rejection of claim 17 is respectfully requested.

**Claim 18**

The Examiner states on page 52 of the Examiner's Answer, the Examiner incorporates the rejection made with respect to independent claim 1 in the rejection of claim 18. While Applicant disagrees with Examiner's characterization of claim 18 as compared to independent claim 1, Applicant incorporates herein by reference the response made above in connection with independent claim 1 to avoid duplication. For at least the reasons mentioned above in connection with independent claim 1, Applicant respectfully submits that independent claim 18 would not have been rendered obvious by the combination of Philip and Wilkinson.

Consequently, for at least the reasons mentioned above, a reversal of the rejection of claim 18 is respectfully requested.

**Claim 19**

None of the applied portions of the references relied upon in the Examiner's Answer, whether considered alone or in combination, establish a *prima facie* case of obviousness. Since claim 19 depends upon claim 18, Applicant incorporates each and every argument, *supra*, regarding claim 18 into this traversal of the rejection of claim 19. The Examiner relies upon Nations only to address specific limitations of dependent claims 19 and not the limitations of independent claim 18 upon which it depends, and the portions of Nations relied upon by the Examiner does not account for the deficiencies of Philip and Wilkinson noted above in connection with claim 18. Thus, dependent claim 19 would not have been rendered obvious by the combination of Philip, Wilkinson and Nations.

Accordingly, for at least the reasons mentioned above, a reversal of the rejection of claim 19 is respectfully requested.

**Claim 20**

None of the applied portions of the references relied upon in the Examiner's Answer,

whether considered alone or in combination, establish a *prima facie* case of obviousness. For at least the reasons mentioned above with respect to independent claim 18, Applicant respectfully submits that dependent claim 20 also would not have been rendered obvious by the combination of Philip and Wilkinson. The Examiner relies upon Applicant's allegedly Admitted Prior Art only to address the specific limitations of dependent claim 20, and not the limitations of independent claim 18 upon which it depends, and the Applicant's allegedly Admitted Prior Art relied upon by the Examiner does not account for the deficiencies of Philip and Wilkinson. Thus, dependent claim 20 would not have been rendered obvious by the combination of Philip, Wilkinson and the Allegedly admitted Prior Art.

In addition, Applicant does not agree that it was admitted that it was "old and well known to monitor and benchmark earnings over time periods in order to make decisions on investment management." Applicant respectfully submits that the Examiner should have indicated where such an admission was made.

Accordingly, for at least the reasons mentioned above, a reversal of the rejection of claim 20 is respectfully requested.

### **Claim 21**

None of the applied portions of the references relied upon in the Examiner's Answer, whether considered alone or in combination, establish a *prima facie* case of obviousness. For at least the reasons mentioned above with respect to independent claim 18 and dependent claim 20, Applicant respectfully submits that dependent claim 21 also would not have been rendered obvious by the combination of Philip, Wilkinson and the Official Notice. The Examiner relies upon Silman only to address the specific limitations of dependent claim 21, and not the limitations of independent claim 18 and dependent claim 20 upon which they ultimately depend, and the portions of Silman relied upon by the Examiner do not account for the deficiencies of Philip Wilkinson and the Official Notice. Thus, dependent claim 21 would not have been rendered obvious by the combination of Philip, Wilkinson, Official Notice and Silman.

Accordingly, for at least the reasons mentioned above, a reversal of the rejection of claim 21 is respectfully requested.

**Claim 22**

None of the applied portions of the references relied upon in the Examiner's Answer, whether considered alone or in combination, establish a *prima facie* case of obviousness. For at least the reasons mentioned above with respect to independent claim 18, Applicant respectfully submits that dependent claim 22 also would not have been rendered obvious by the combination of Philip and Wilkinson. The Examiner relies upon Applicant's allegedly Admitted Prior Art only to address the specific limitations of dependent claim 22, and not the limitations of independent claim 18 upon which it depends, and the Applicant's allegedly Admitted Prior Art relied upon by the Examiner does not account for the deficiencies of Philip and Wilkinson. Thus, dependent claim 22 would not have been rendered obvious by the combination of Philip, Wilkinson and the Applicant's allegedly Admitted Prior Art.

In addition, Applicant does not agree that it was admitted that it was "old and well known to monitor and benchmark earnings over time periods in order to make decisions on investment management." Applicant respectfully submits that the Examiner should have indicated where such an admission was made..

Accordingly, for at least the reasons mentioned above, a reversal of the rejection of claim 22 is respectfully requested.

**Claim 23**

None of the applied portions of the references relied upon in the Examiner's Answer, whether considered alone or in combination, establish a *prima facie* case of obviousness. Since claim 23 depends upon claim 18, Applicant incorporates each and every argument, *supra*, regarding claim 18 into this traversal of the rejection of claim 23.

Accordingly, for at least the reasons mentioned above, a reversal of the rejection of claim 23 is respectfully requested.

**Claim 24**

None of the applied portions of the references relied upon in the Examiner's Answer, whether considered alone or in combination, establish a *prima facie* case of obviousness. Since claim 24 depends upon claim 18, Applicant incorporates each and every argument, *supra*,

regarding claim 18 into this traversal of the rejection of claim 24.

Accordingly, for at least the reasons mentioned above, a reversal of the rejection of claim 24 is respectfully requested.

**Claim 25**

Claim 25 recites a method comprising for an identified time period, electronically selecting on one or more processors a segment from each of a plurality of expected streams of payments, said segment being of a duration that is shorter than that of at least one of the plurality of expected streams of payments, each of the expected stream of payments to satisfy at least one obligation to provide payments to a holder of at least one right to receive such payments in exchange for a transfer of at least one interest in at least one an intellectual property asset, each said segment corresponding to the selected time period and being selected such that a total amount of payments associated with each said segment satisfies one or more predetermined criteria. In addition, claim 25 recites offering to transfer to an entity, an identified portion of said at least one right, said identified portion corresponding to the identified time period, said identified portion being distinct from a remaining portion of said at least one obligation. Applicant respectfully submits that Philip fails to teach “selecting ... a segment from each of a plurality of streams of expected payments said segment being of a duration that is shorter than that of at least one of the plurality of expected streams of payments, each of the expected stream of payments to satisfy at least one obligation to provide payments to a holder of at least one right to receive such payments in exchange for a transfer of at least one interest in at least one an intellectual property asset, each said segment corresponding to the selected time period and being selected such that a total amount of payments associated with each said segment satisfies one or more predetermined criteria” See pg. 55 and 56 of Examiner’s Answer.

Although the Examiner asserts that Philip teaches that an asset is broken into multiple segments in the manner claimed. That is not the case. Philip states that “securitization of financial assets is used by financial institutions to sell interests in pools of financial assets”, where “a financial asset can be any promise of a future flow of money.” Philip at col. 1, lines 6-9. Philip further states that “interests in selected portions or tranches of the pool may be sold”, where “tranches represent a defined and limited aspect of the assets within the pool.” Philip at

col. 1, lines 32-34. The Examiner relies on col. 1, lines 32-43; col. 4, lines 3-18; col. 9, lines 1-18 and Table 1; col. 3, lines 36-47; col. 1, lines 33-37; col. 3, lines 37-40; col. 4, lines 4-8 and 11-16. See Examiner's Answer at pgs. 57-58. However, none of the portions of Philip relied upon by the Examiner teach "each said segment corresponding to the selected time period and being selected such that a total amount of payments associated with each said segment satisfies one or more predetermined criteria.

The portions of Philip relied upon by the Examiner simply fails to teach the parsing of each of the streams of expected payments into segment(s) in the manner called for by independent claim 25. Nowhere does Philip teach "selecting ... a segment from each of a plurality of expected streams of payments, said segment being of a duration that is shorter than that of at least one of the plurality of expected streams of payments, each of the expected stream of payments to satisfy at least one obligation to provide payments to a holder of at least one right to receive such payments in exchange for a transfer of at least one interest in at least one an intellectual property asset, each said segment corresponding to the selected time period and being selected such that a total amount of payments associated with each said segment satisfies one or more predetermined criteria."

With regard to Philip, the recited portion of col. 4, lines 3-15 read as follows:

*The securitization managements function supports the structuring of custom tranches. For example, an investment bank may wish to define a security based upon assets with a specified set of characteristics. For example, an investment bank 20 may wish to purchase only accounts receivable from that set of accounts receivable of which, based upon a six-month history, eighty percent are paid in under 40 days. There are two components of rules that may be employed in selecting assets into pools: (i) rules to decide which assets to purchase based on the characteristics of the assets themselves and (ii) rules to decide which assets to purchase based on their effect on the aggregate parameters of the pool that would change if the assets were to be added to the pool. The later are called 'covenants'. When covenants are violated the platform provides an interactive tool to exclude certain assets so that the covenants will not be violated.(col. 4 lines 3-18.*

Although the above-referenced portion of Philip discloses selecting an accounts receivable,



which corresponds to money owed on a particular invoice, the reference does not teach the “selecting” step of claim 25, which calls for “selecting ... a segment from each of a plurality of streams of expected payments said segment being of a duration that is shorter than that of at least one of the plurality of expected streams of payments, each of the expected stream of payments to satisfy at least one obligation to provide payments to a holder of at least one right to receive such payments in exchange for a transfer of at least one interest in at least one an intellectual property asset, each said segment corresponding to the selected time period and being selected such that a total amount of payments associated with each said segment satisfies one or more predetermined criteria”. Rather, Philip discloses selecting a receivable based on historical performance information associated with the particular set of accounts receivables from which it is selected. Philip does not teach selecting a receivable that corresponds to a segment of any particular stream of expected payments in the future and there is simply no teaching to that effect by Philip. Even assuming for the sake of argument that Philip taught selecting a receivable that corresponds to a particular stream of expected payments, it does not teach selecting such a receivable from another stream of expected payments that also corresponds to the same time period.

On page 5, line 8 of the Office Action dated October 14, 2009, although the Examiner indicated that accounts receivables are necessarily payment streams, that is simply not the case, as an accounts receivable is simply money owed on a particular invoice. There is simply no teaching by Philip that the accounts receivables necessarily correspond to an expected stream of payments in the future, let alone payments that are to satisfy a plurality of obligations to provide payments to a holder of one or more rights to receive such payments in exchange for transfers of interests in one or more intellectual property assets.

Because Philip fails to teach selecting segment(s) in the manner claimed, the reference fails to teach that the “segment(s) are selected such that a first total amount of expected payments associated with said segment(s) satisfies one or more criteria” or to teach “identifying one or more portions of said one or more rights for transfer to an entity”, where the portion(s) correspond to the segment(s) that correspond to the first period.

In addition, the Examiner acknowledges that Philip does not teach “intellectual property assets”. See Examiner’s Answer at page 60. As such, the reference does not teach selecting segment(s) of each of a plurality of streams of expected payments of the type claimed. However,

the Examiner makes two arguments as to why the fact that Philip does not teach the use of intellectual property assets does not negatively impact the Examiner's obviousness analysis.

On page 35 of the Examiner's Answer, the Examiner argues that "Intellectual property assets are a financial asset is a promise of future flow of money, and would have been obvious to substitute one financial asset for another." Applicant disagrees that intellectual property assets can necessarily be equated with a future flow of money in every instance or that their suitability for use in connection with particular financial transactions can be assumed.

In addition, the Examiner argues that U.S. Pub No. 20002/0099637 (Wilkinson) "teaches a method for intellectual property securitization and creating financial markets." See Examiner's Answer at page 20. Yet the portions of Wilkinson relied upon by the Examiner (i.e., Wilkinson at paragraph 7 identified on page 20 of the Examiner's Answer) fails to account for the deficiencies of Philip in that they fail to teach "selecting ... segments" or "identifying ... portions ... corresponding to the one or more segments" in the manner claimed. The subject matter of claim 25 carries out these activities in order to facilitate providing relatively smooth IP based payment streams over a particular time period when the expected IP based payment streams are predicted to be variable over that period, which, in turn, greatly facilitates securitizing the underlying rights to receive those payments. The Philip and Wilkinson references simply do not provide this advantage. Although Wilkinson teaches an intellectual property investment process generally, that by itself does not mean that one skilled in the art would appreciate how to combine the teachings of Philip and Wilkinson in the manner contemplated by the Examiner to arrive at the claimed subject matter.

The subject matter of claim 25 carries out these activities in order to facilitate providing relatively smooth IP based payment streams over a particular time period when the expected IP based payment streams are predicted to be variable over that period, which, in turn, greatly facilitate securitizing the underlying rights to receive those payments. The Philip, Wilkinson and Nations references simply do not provide this advantage or teaching. Accordingly, for at least the reasons mentioned above, a reversal of the rejection of claim 25 is respectfully requested.

## **Claim 26**

None of the applied portions of the references relied upon in the Examiner's Answer, whether considered alone or in combination, establish a *prima facie* case of obviousness. Since claim 26 depends upon claim 1, Applicant incorporates each and every argument, *supra*, regarding claim 1 into this traversal of the rejection of claim 26. The Examiner relies upon Nations only to address specific limitations of dependent claims 26 and not the limitations of independent claims 1 upon which it depends, and the portions of Nations relied upon by the Examiner does not account for the deficiencies of Philip and Wilkinson noted above in connection with claim 1. Thus, dependent claim 26 would not have been rendered obvious by the combination of Philip, Wilkinson and Nations.

Accordingly, for at least the reasons mentioned above, a reversal of the rejection of claim 26 is respectfully requested.

**Claim 27**

None of the applied portions of the references relied upon in the Examiner's Answer, whether considered alone or in combination, establish a *prima facie* case of obviousness. Since claim 27 depends upon claim 1, Applicant incorporates each and every argument, *supra*, regarding claim 1 into this traversal of the rejection of claim 27.

Accordingly, for at least the reasons mentioned above, a reversal of the rejection of claim 27 is respectfully requested.

**Claim 28**

None of the applied portions of the references relied upon in the Examiner's Answer, whether considered alone or in combination, establish a *prima facie* case of obviousness. Since claim 28 depends upon claim 1, Applicant incorporates each and every argument, *supra*, regarding claim 1 into this traversal of the rejection of claim 28.

Consequently, for at least the reasons mentioned above, a reversal of the rejection of claim 28 is respectfully requested.

**Claim 29**

None of the applied portions of the references relied upon in the Examiner's Answer,

whether considered alone or in combination, establish a *prima facie* case of obviousness. Since claim 29 depends upon claim 1, Applicant incorporates each and every argument, *supra*, regarding claim 28 into this traversal of the rejection of claim 29.

Accordingly, for at least the reasons mentioned above, a reversal of the rejection of claim 29 is respectfully requested.

**Claim 30**

None of the applied portions of the references relied upon in the Examiner's Answer, whether considered alone or in combination, establish a *prima facie* case of obviousness. Since claim 30 depends upon claim 1, Applicant incorporates each and every argument, *supra*, regarding claim 1 into this traversal of the rejection of claim 30.

Accordingly, for at least the reasons mentioned above, a reversal of the rejection of claim 30 is respectfully requested.

**CONCLUSION**

In view of the above, Appellant submits that all claims on appeal distinguish over the applied art and respectfully requests that the Board of Patent Appeals and Interferences reverse the rejections of claims 1-30.

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Respectfully submitted,

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